Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF FLORIDA PROGRESS CORP

1b Three-digit plan number (PN) ▶ 004

1c Effective date of plan 01/01/1998

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

FLORIDA PROGRESS CORPORATION

410 S WILMINGTON ST, PEB 20
RALEIGH, NC 27601-1849

2b Employer Identification Number (EIN) 59-2147112

2c Sponsor's telephone number 704-382-5289

2d Business code (see instructions) 221100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2012	PETER KOSTIW
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
PROGRESS ENERGY SERVICE COMPANY LLC

PO BOX 1551
RALEIGH, NC 27602-1551

3b Administrator's EIN
56-2201051

3c Administrator's telephone number
704-382-5289

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	3962
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	2495
b	Retired or separated participants receiving benefits	**6b**	788
c	Other retired or separated participants entitled to future benefits	**6c**	481
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	3764
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	116
f	Total. Add lines **6d** and **6e**	**6f**	3880
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	230
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1C 1G 3F 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	X	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)		0	**A** (Insurance Information)
(4)			**C** (Service Provider Information)
(5)	X		**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF FLORIDA PROGRESS CORP

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
FLORIDA PROGRESS CORPORATION

D Employer Identification Number (EIN)
59-2147112

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2011			
2	Assets:			
a	Market value	**2a**		336573234
b	Actuarial value	**2b**		315998180
3	Funding target/participant count breakdown:		**(1)** Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	885	155892144
b	For terminated vested participants	**3b**	469	17856110
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		15016408
	(2) Vested benefits	**3c(2)**		162344426
	(3) Total active	**3c(3)**	2608	177360834
d	Total	**3d**	3962	351109088
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]			
a	Funding target disregarding prescribed at-risk assumptions	**4a**		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**		
5	Effective interest rate	**5**		6.33 %
6	Target normal cost	**6**		14583930

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary	10/02/2012 Date
KERRY N. SCHMIDT Type or print name of actuary	11-02628 Most recent enrollment number
BUCK CONSULTANTS, LLC Firm name	770-955-2488 Telephone number (including area code)
200 GALLERIA PARKWAY NW, SUITE 1900 ATLANTA, GA 30339-5945 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 13.11%		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		30995282
b	Interest on (a) using prior year's effective rate of 6.70 % except as otherwise provided (see instructions)		2076684
c	Total available at beginning of current plan year to add to prefunding balance		33071966
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	90.00 %
15	Adjusted funding target attainment percentage	15	90.00 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	90.00 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2011	3696914	0	09/14/2012	18100000	0
07/15/2011	3696914	0			
10/14/2011	3696914	0			
01/13/2012	3696914	0			
04/13/2012	5180636	0			
07/13/2012	5180636	0			
			Totals ► 18(b)	43248928	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	40010533

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
3.78%	6.31%	6.57 %	☐ N/A, full yield curve used

b Applicable month (enter code) **21b** 4

22 Weighted average retirement age **22** 60

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☒ Yes ☐ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... ☐ Yes ☒ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment..... **27**

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years **28** 0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... **29** 0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)..... **31a** 14583930

b Excess assets, if applicable, but not greater than 31a **31b** 0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	35110908	6138614
b Waiver amortization installment.....	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)... **34** 20722544

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0

36 Additional cash requirement (line 34 minus line 35)..... **36** 20722544

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 40010533

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36) **38a** 19287989

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b**

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0

40 Unpaid minimum required contributions for all years..... **40** 0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ..... ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ..... ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment **42**

43 Excess installment acceleration amount to be carried over to future plan years **43**

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF FLORIDA PROGRESS CORP

B Three-digit plan number (PN) ▶ 004

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
FLORIDA PROGRESS CORPORATION

D Employer Identification Number (EIN)
59-2147112

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: PROG ENRGY PENSION PLANS MSTR TRUST

b Name of sponsor of entity listed in (a): PROGRESS ENERGY, INC

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions)
56-6035543-001	M	333778841

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

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c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
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a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF FLORIDA PROGRESS CORP

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500
FLORIDA PROGRESS CORPORATION

D Employer Identification Number (EIN)
59-2147112

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	-433	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	42236107	32158186
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	1324255	2436101
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		13048460
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	294710293	333778841
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	338270222	381421588
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	0	0
i Acquisition indebtedness	1i		
j Other liabilities	1j	1184488	1132983
k Total liabilities (add all amounts in lines 1g through1j)	1k	1184488	1132983
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	337085734	380288605

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	43248928	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		43248928
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		15889150
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		59138078
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	14465118	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		14465118
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	534996	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	935093	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1470089
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		15935207
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		43202871
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CHERRY BEKAERT & HOLLAND LLP **(2)** EIN: 56-0574444

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		20000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF FLORIDA PROGRESS CORP

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500
FLORIDA PROGRESS CORPORATION

D Employer Identification Number (EIN)
59-2147112

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): _____ _____

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3** 1

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☒ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☒

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 14.0% Investment-Grade Debt: 39.0% High-Yield Debt: 1.0% Real Estate: 0.0% Other: 46.0%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☒ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF FLORIDA PROGRESS CORPORATION

St. Petersburg, Florida

Financial Statements and Supplemental Schedule

Years Ended December 31, 2011 and 2010

RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES
OF FLORIDA PROGRESS CORPORATION
TABLE OF CONTENTS
Years Ended December 31, 2011 and 2010

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CHERRY BEKAERT & HOLLAND
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITORS' REPORT

Retirement Board
Retirement Plan for Bargaining Unit Employees
of Florida Progress Corporation
St. Petersburg, Florida

We were engaged to audit the financial statements and supplemental schedule of the Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation (the "Plan") as of and for the years ended December 31, 2011 and 2010 as listed in the foregoing table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3 and 4 to the financial statements, which was certified by State Street Bank and Trust Company, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2011 and 2010 that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

CHERRY, BEKAERT & HOLLAND, L.L.P.

Cherry, Bekaert & Holland, L.L.P.

Raleigh, North Carolina
September 19, 2012

RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES
OF FLORIDA PROGRESS CORPORATION
STATEMENTS OF NET ASSETS AVAILABLE FOR PENSION BENEFITS
December 31, 2011 and 2010

	2011	2010
Assets		
Plan interest in Master Trust investments	$ 380,288,605	$ 337,085,734
NET ASSETS AVAILABLE FOR PENSION BENEFITS	$ 380,288,605	$ 337,085,734

The accompanying notes are an integral part of the financial statements.

RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES
OF FLORIDA PROGRESS CORPORATION
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PENSION BENEFITS
Years Ended December 31, 2011 and 2010

	2011	2010
Plan interest in Master Trust investment activities		
Net appreciation in fair value of investments	$ 9,567,669	$ 29,890,442
Interest	4,699,043	2,200,392
Dividends	690,096	699,538
Other investment income	932,342	1,175,795
	15,889,150	33,966,167
Less investment expenses	935,093	710,477
Increase in net assets from investment activities	14,954,057	33,255,690
Contributions	43,248,928	49,150,627
Deductions		
Benefits paid to participants	14,465,118	14,401,644
Administrative expenses	534,996	521,894
Total deductions	15,000,114	14,923,538
INCREASE IN NET ASSETS AVAILABLE FOR PENSION BENEFITS	43,202,871	67,482,779
Net assets available for pension benefits - beginning of year	337,085,734	269,602,955
NET ASSETS AVAILABLE FOR PENSION BENEFITS - END OF YEAR	$ 380,288,605	$ 337,085,734

The accompanying notes are an integral part of the financial statements.

RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES
OF FLORIDA PROGRESS CORPORATION
STATEMENT OF ACCUMULATED PENSION BENEFITS
December 31, 2010

Actuarial present value of accumulated pension benefits	
Vested benefits	
Retired participants and beneficiaries currently receiving payments	$ 127,929,131
Other participants	129,882,592
Total vested benefits	257,811,723
Non-vested benefits	11,149,661
TOTAL ACTUARIAL PRESENT VALUE OF ACCUMULATED PENSION BENEFITS (*)	$ 268,961,384

* Prepared by the Plan's actuary as of January 1, 2011.

The accompanying notes are an integral part of the financial statements.

RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES
OF FLORIDA PROGRESS CORPORATION
STATEMENT OF CHANGES IN ACCUMULATED PENSION BENEFITS
Year Ended December 31, 2010

Actuarial present value of accumulated pension benefits as of December 31, 2009	$ 245,060,305
Increase (decrease) during the year attributable to:	
Interest	20,812,705
Benefits accumulated and other	10,406,451
Benefits paid	(14,401,644)
Plan amendments	25,674
Changes in actuarial assumptions or methods	7,057,893
Total increase in accumulated pension benefits	23,901,079
ACTUARIAL PRESENT VALUE OF ACCUMULATED PENSION BENEFITS AS OF DECEMBER 31, 2010 (*)	$ 268,961,384

* Prepared by the Plan's actuary as of January 1, 2011.

The accompanying notes are an integral part of the financial statements.

Note 1 – Description of the Plan

The following brief description of the Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General – The Plan is a defined benefit pension plan covering bargaining unit employees of Progress Energy Florida, Inc., a wholly-owned subsidiary of Progress Energy, Inc. (the Company or Plan Sponsor). Employees are eligible for participation as of the first day of the month after employment. The Plan is administered by the Retirement Board, consisting of persons appointed by the Chief Executive Officer of Florida Progress Corporation. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective July 2, 2012, Duke Energy Corporation (Duke Energy) acquired Progress Energy, Inc. (Progress Energy) in a stock-for-stock transaction. Progress Energy will continue as a wholly-owned subsidiary of Duke Energy.

Benefits – Plan participants hired prior to 1/1/2003 accrue benefits under a final average pay formula. Normal retirement date for these participants is the first day of the month following the employee's 65th birthday, but the Plan permits a participant to retire with an unreduced benefit at age 60 if the participant has at least 20 years of service at retirement, or at age 55 if the participant has at least 35 years of service at retirement. Participants who are hired on or after 1/1/2003 accrue benefits under a cash balance formula; for these participants, normal retirement date is defined as the later of attainment of age 65 or the fifth anniversary of the date the participant became a member of the Plan. Participants hired prior to 1/1/2003 may be fully vested after completing five years of vesting service. Effective 1/1/2008, as required by the Pension Protection Act, a participant in this plan with a hire date on or after 1/1/2003 may be fully vested after completing three years of vesting service.

Note 2 – Summary of significant accounting policies

Basis of accounting – The foregoing financial statements are prepared on the accrual basis of accounting.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities and the actuarial present value of accumulated pension benefits at the date of the financial statements. Actual results could differ from those estimates.

Note 2 – Summary of significant accounting policies (continued)

Investments and income recognition – Investments are stated at fair market value as determined by State Street Bank and Trust Company, N.A., (the Trustee). If available, quoted market prices are used to value investments. Securities that have no quoted market price are valued at their estimated fair value. The security transactions are recorded on a trade-date basis. Cost for the sale of securities is based on the average cost as determined by the Trustee. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized gain (loss) on the purchase or sale of forward foreign currency contracts is recognized on the settlement date which is not materially different from the trade date. The fair value of the Plan's interest in the Progress Energy Pension Plan's Master Trust (Master Trust) is based on the beginning of year value of the Plan's interest in the trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses (Note 4).

New Accounting Standards Adopted – In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, "Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements," which amends Accounting Standards Codification (ASC) 820 and amends ASC Subtopic 715-20 to clarify certain existing disclosure requirements and to require a number of additional disclosures, including amounts and reasons for significant transfers between the three levels of the fair value hierarchy, and presentation of certain information in the reconciliation of recurring Level 3 measurements on a gross basis. ASU 2010-06 is effective for the Plan beginning January 1, 2010, with certain disclosures effective for periods beginning January 1, 2011.

In May 2011, the FASB issued ASU 2011-04, "Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs," which amends ASC 820 to develop a single, converged fair value framework between GAAP and International Financial Reporting Standards (IFRS). ASU 2011-04 is effective prospectively for the Plan on January 1, 2012. The adoption of ASU 2011-04 will result in changes in certain fair value measurement principles, as well as an additional disclosure in the notes to the financial statements. The impact of adoption is not expected to be significant to the Plan's financial statements.

Funding policy – The Company contributes the net pension cost as defined by FASB ASC 715, Compensation—Retirement Benefits, calculated by an independent actuary, Buck Consultants. The Company's contributions have exceeded the minimum funding requirements of ERISA.

Note 2 – Summary of significant accounting policies (continued)

Actuarial present value of accumulated pension benefits – Accumulated pension benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated pension benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan for participants with an original hire date on or before December 31, 2002 are based on employees' compensation during their highest 48 consecutive months out of the last 120 months or highest four calendar years out of their entire career. The accumulated pension benefits for active employees are based on their average compensation during the four years ending on the date as of which the benefit information is presented (the valuation date). Benefits under the Plan for participants with an original hire date of January 1, 2003 or later, are based on employees' compensation paid during a calendar year, multiplied by an appropriate percentage factor, along with interest determined by multiplying the beginning of the year balance of the accumulated pension benefit with an appropriate interest rate as stated in the Plan document. Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date. A complete description of the accumulated pension benefits and calculation of benefits, including percentage factors and interest rates, are provided in the Plan document.

The actuarial present value of accumulated pension benefits is determined by the Plan's actuary, Buck Consultants, and is the amount that results from applying actuarial assumptions to adjust the accumulated pension benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, withdrawal or retirement) between the valuation date and the expected date of payment. For the calculation of accumulated pension benefits at December 31, 2010, an actuarial calculation dated January 1, 2011 was obtained from the actuary. The significant actuarial assumptions used in the valuation as of January 1, 2011 were (a) life expectancy based on the RP-2000 2011 PPA Annuitant and Non-Annuitant Mortality Tables, (b) normal retirement date and (c) discount rate of 8.5%. The assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions might be applicable in determining the actuarial present value of accumulated pension benefits.

Payment of benefits – Benefit payments to participants are recorded upon distribution.

Note 3 – Plan financial information certified by trustee

All investment information disclosed in the foregoing financial statements including investments held at December 31, 2011 and 2010 and net appreciation in fair values of investments, interest, dividends, other investment income and investment expenses for the years ended December 31, 2011 and 2010 were obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Trustee.

Note 4 – Interest in Master Trust

The Plan's investments are held in the Progress Energy Pension Plan's Master Trust (the "Master Trust") which was established for the investment of the assets of the Plan and another Company sponsored retirement plan. Each participating retirement plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by the Trustee. The trustee maintains separate accounting of all contributions and benefit payments for each participating retirement plan. Investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon average monthly balances invested by each plan. At December 31, 2011 and 2010 and for the years then ended, the Plan's interest in the total investments of the Master Trust was approximately 16%.

The following investments in the Master Trust and the net appreciation (depreciation) in fair value of the investments, interest, dividend income and other receipts in the Master Trust are certified by the Trustee to be complete and accurate. The fair values of investments for the Master Trust as of December 31 are as follows:

	2011	2010
Common stocks	$ 484,476,886	$ 456,014,969
Preferred stocks	31,539,369	1,590,634
Common/Collective trusts	226,277,991	476,244,705
U.S. government securities	341,467,688	172,168,542
Other	252,672,932	166,432,836
Corporate bonds - preferred	232,771,238	127,993,772
Corporate bonds - all other	177,388,712	87,754,673
Partnerships	226,454,160	157,754,908
Mortgages	1,453,641	-
103-12 Investments	72,028,918	120,963,819
Interest bearing cash	136,219,628	119,939,865
Total Investments	**$2,182,751,163**	**$1,886,858,723**

Net appreciation (depreciation) in fair value of investments for the Master Trust for the year ended December 31 is as follows:

	2011	2010
Common stocks	$ (56,145,885)	$ 69,871,148
Preferred stocks	306,112	(67,950)
Mutual funds	-	(1,402)
Common/Collective trusts	24,036,893	74,817,053
U.S. government securities	70,628,926	(10,799,824)
Other	(7,833,598)	15,932,952
Corporate bonds – preferred	15,214,490	(542,537)
Corporate bonds – all other	12,781,786	(476,513)
Partnerships	21,790,337	5,953,670
Mortgages	87,126	2,001,789
103-12 Investments	(18,934,901)	19,621,818
Interest bearing cash	(61,531)	2,116,040
Total Net Appreciation	**$ 61,869,755**	**$ 178,426,244**

Note 4 – Interest in Master Trust (continued)

The Master Trust has various forward foreign currency contracts, which represent agreements to exchange currencies of different countries at a specified future date at a specified rate. The Master Trust enters into these contracts to reduce its exposure to fluctuations in foreign exchange rates arising from investments denominated in non-U.S. currencies. Losses may arise due to changes in the value of the currencies or if the counter parties do not perform under the contracts. The fair value of the contracts has been included in investments. At December 31, 2011 and 2010, the Master Trust had no forward foreign currency contracts open.

Note 5 – Fair value measurements

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). Fair value measurements require the use of market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, corroborated by market data or generally unobservable. Valuation techniques are required to maximize the use of observable inputs and minimize the use of unobservable inputs. A midmarket pricing convention (the midpoint price between bid and ask prices) is permitted for use as a practical expedient.

GAAP also establishes a fair value hierarchy that prioritizes the inputs used to measure fair value, and requires fair value measurements to be categorized based on the observability of those inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). The three levels of the fair value hierarchy are as follows:

Level 1 – The pricing inputs are unadjusted quoted prices in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 primarily consists of financial instruments such as listed equities.

Level 2 – The pricing inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 includes financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category include non-exchange-traded derivatives, such as over-the-counter forwards, swaps and options; certain marketable debt securities; and financial instruments traded in less than active markets.

Level 3 – The pricing inputs include significant inputs generally less observable from objective sources. Level 3 instruments may include longer-term instruments that extend into periods in which quoted prices or other observable inputs are not available.

The Plan’s policy is to recognize significant transfers between levels at the end of the reporting period.

Note 5 – Fair value measurements (continued)

Asset Valuation Techniques — The Plan's investment in the Master Trust is presented at fair value, which has been determined based on the fair value of the underlying investments of the Master Trust. The determination of the fair values of the underlying investments of the Master Trust incorporates various factors required under GAAP. The investments include exchange-traded securities (classified within Level 1) and other marketable debt and equity securities, most of which are valued using Level 1 inputs for similar instruments, and are classified within Level 2 investments.

Most over-the-counter investments are valued using observable inputs for similar instruments or prices from similar transactions and are classified as Level 2. Over-the-counter investments where significant unobservable inputs are used, such as financial pricing models, are classified as Level 3 investments.

The following is a general description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Common stocks and U.S. government securities are valued at the closing price reported in the active markets in which the individual securities are traded and are categorized as Level 1.

Investments in mutual funds are not publically traded, but the underlying assets held in these funds are traded in active markets and the prices for these assets are readily observable. Holdings in mutual funds are classified as Level 2 investments.

Investments in timber are valued primarily on valuations prepared by independent property appraisers. These appraisals are based on cash flow analysis, current market capitalization rates, recent comparable sales transactions, actual sales negotiations and bona fide purchase offers. Inputs include the species, age, volume and condition of timber stands growing on the land; the location, productivity, capacity and accessibility of the timber tracts; current and expected log prices; and current local prices for comparable investments. Timber investments are classified as Level 3 investments.

Investments in private equity are valued using observable inputs, when available, and also include comparable market transactions, income and cost basis valuation techniques. The market approach includes using comparable market transactions or values. The income approach generally consists of the net present value of estimated future cash flows, adjusted as appropriate for liquidity, credit, market and/or other risk factors. Private equity investments are classified as Level 3 investments.

Hedge funds are based primarily on the net asset values and other financial information provided by management of the private investment funds. Hedge funds are classified as Level 2 if the plan is able to redeem the investment with the investee at net asset value as of the measurement date, or at a later date within a reasonable period of time. Hedge funds are classified as Level 3 if the investment cannot be redeemed at net asset value or it cannot be determined when the fund will be redeemed.

Fixed income separate accounts are categorized as Level 2. They are valued using third-party pricing services. These services may use, for example, model-based pricing methods that utilize observable market data as inputs. Broker dealer bids or quotes of securities with similar characteristics may also be used.

Note 5 – Fair value measurements (continued)

Cash equivalents held are primarily short-term investments funds that are categorized as Level 2. They are valued at cost plus accrued interest, which approximates fair value.

The following tables set forth, by level within the fair value hierarchy, the Master Trust's financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2011 and 2010. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

At December 31, 2011, the Master Trust's investments classified within the fair value hierarchy were as follows:

	Level 1	Level 2	Level 3	Total
Assets				
Equity securities:				
Common stock	$ 293,792,177	$ -	$ -	$ 293,792,177
Mutual funds	-	490,084,742	-	490,084,742
Timber	-	-	10,880,304	10,880,304
Private equity	-	-	152,705,987	152,705,987
Hedge funds	-	112,047,950	193,785,864	305,833,814
Other equity	18,754,879	-	999,883	19,754,762
Corporate debt	-	407,265,324	-	407,265,324
Government debt	273,789,829	75,159,696	-	348,949,525
Municipal debt	-	42,037,797	-	42,037,797
Cash and cash equivalents	82,120,507	32,445,161	-	114,565,668
Other investments	-	1,253,458	-	1,253,458
Total investments at fair value	$ 668,457,392	$1,160,294,128	$ 358,372,038	$2,187,123,558

	Level 1	Level 2	Level 3	Total
Liabilities				
Cash	$ (3,103)	$ -	$ -	$ (3,103)
Options	(316,200)	(55,718)	-	(371,918)
Total investments at fair value	$ (319,303)	$ (55,718)	$ -	$ (375,021)

Note 5 – Fair value measurements (continued)

At December 31, 2010, the Master Trust's investments classified within the fair value hierarchy were as follows:

	Level 1	Level 2	Level 3	Total
Assets				
Equity securities:				
Common stock	$ 317,832,204	$ -	$ -	$ 317,832,204
Mutual funds	-	847,282,032	-	847,282,032
Timber	-	-	10,828,481	10,828,481
Private equity	-	-	147,341,733	147,341,733
Hedge funds	-	51,471,954	-	51,471,954
Other equity	7,905,096	-	1,590,634	9,495,730
Corporate debt	-	215,748,445	-	215,748,445
Government debt	143,707,146	30,125,336	-	173,832,482
Municipal debt	-	18,804,618	-	18,804,618
Cash equivalent	-	94,268,487	-	94,268,487
Total investments at fair value	$ 469,444,446	$1,257,700,872	$ 159,760,848	$ 1,886,906,166

	Level 1	Level 2	Level 3	Total
Liabilities				
Options	$ (48,000)	$ -	$ -	$ (48,000)
Total investments at fair value	$ (48,000)	$ -	$ -	$ (48,000)

The following table sets forth a reconciliation of changes in the fair value of the Plan's equity securities classified as Level 3 in the fair value hierarchy for the years ended December 31, 2011 and 2010, respectively:

	Timber	Private Equity	Other Equity	Hedge Funds	Total
Equities, net at January 1, 2011	$ 10,828,481	$ 147,341,733	$ 1,590,634	$ -	$159,760,848
Actual return (loss) on plan assets:					
Relating to assets still held at the reporting date	1,053,631	1,995,415	(233,374)	(1,880,648)	935,024
Relating to assets sold during the period	757	(2,360,613)	-	-	(2,359,856)
Purchases, issuances, sales and settlements:					
Purchases	13,525	17,021,819	-	170,000,000	187,035,344
Issuances	-	-	-	-	-
Sales	(1,016,090)	(11,292,367)	(357,377)	-	(12,665,834)
Transfers into Level 3	-	-	-	25,666,512	25,666,512
Equities, net at December 31, 2011	$ 10,880,304	$ 152,705,987	$ 999,883	$ 193,785,864	$358,372,038

Note 5 – Fair Value Measurements (continued)

	Timber	Private Equity	Other Equity	Hedge Funds	Total
Equities, net at January 1, 2010	$ 14,692,205	$123,812,725	$ 2,409,444	$ -	$140,914,374
Actual return (loss) on plan assets:					
Relating to assets still held at the reporting date	(1,044,104)	7,253,827	(67,950)	-	6,141,773
Relating to assets sold during the period	(1,919,935)	(87,336)	-	-	(2,007,271)
Purchases and sales, net	(899,685)	16,362,517	(750,860)	-	14,711,972
Transfers in (out) of Level 3, net	-	-	-	-	-
Equities, net at December 31, 2010	$ 10,828,481	$147,341,733	$ 1,590,634	$ -	$159,760,848

Below is a summary of the Master Trust's investments at December 31, 2011 and 2010 in which fair value is estimated based on the net asset value:

Fair Value Estimated Using Net Asset Value per Share
December 31, 2011

Investment	Fair Value [a]	Unfunded Commitment	Redemption Frequency [b]	Redemption Notice Period
Mutual funds[c]	$ 490,084,742	$ -	Daily-Monthly	1-15 days
Timber funds[d]	10,880,304		Non-redeemable	Non-redeemable
Private equity funds[e]	152,705,987	41,400,723	Non-redeemable	Non-redeemable
Equity long/equity short hedge funds[f]	254,102,674	-	Quarterly-Annually	30-60 days
Multi-strategy hedge funds[g]	51,731,140	-	Quarterly-Annually	65-370 days
Other equity	999,883	-	Non-redeemable	Non-redeemable
Total	$ 960,504,730	$ 41,400,723		

Fair Value Estimated Using Net Asset Value per Share
December 31, 2010

Investment	Fair Value [a]	Unfunded Commitment	Redemption Frequency [b]	Redemption Notice Period
Mutual funds[c]	$ 847,282,032	$ -	Daily-Monthly	1-15 days
Timber funds[d]	10,828,481	-	Non-redeemable	Non-redeemable
Private equity funds[e]	147,341,733	58,064,664	Non-redeemable	Non-redeemable
Multi-strategy hedge funds[g]	51,471,954	-	Quarterly-Annually	65-370 days
Other equity	1,590,634	-	Non-redeemable	Non-redeemable
Total	$1,058,514,834	$ 58,064,664		

[a] The fair values of the investments have been estimated using the net asset value of the investment.
[b] Redemptions may be subject to an initial one- to three-year lockup period.
[c] This class includes investments in mutual funds that invest in U.S. and international equities and fixed-income securities.

Note 5 – Fair Value Measurements (continued)

(d) This class includes several timber funds that have assets in Australia, South America and North America. The fair values of the investments in this class have been estimated using the net asset value of the Company's ownership interest in the partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the funds will be liquidated over the next five years.

(e) This class includes private equity funds that invest in buyout and venture capital strategies. These investments can never be redeemed with the funds. Instead, the nature of the investments in this class is that distributions are received through the liquidation of the underlying investments or dividends of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the majority of the funds would be liquidated over the next five to ten years.

(f) This class includes direct investments in hedge funds that invest both long and short. The funds primarily invest both long and short in U.S. common stocks but some are focused on European and Asian equities. Management of the hedge funds has flexibility in terms of market cap, value and growth strategies, and net and gross long exposures. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. Investments representing approximately 65 percent of the value of the investments in this class cannot be redeemed in the near term because the investments include restrictions that do not allow for redemption in the first 12 to 36 months after acquisition or are restricted to annual redemptions on the anniversary date of acquisition. The remaining restriction period for these investments ranged from nine to thirty-one months at December 31, 2011.

(g) This class invests in hedge fund-of-funds that pursue multiple strategies to diversify risk and reduce volatility. The hedge funds on a composite basis have investments in relative value, event driven, long/short, direct sourcing and macro strategies. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. At December 31, 2011, investments representing approximately 75 percent of this class are redeemable quarterly with 65-95 days' notice and the remaining 25 percent requires a 370-day notice for redemption.

Note 6 – Securities lending

The Trustee of the Master Trust has an agreement with the custodial bank for the Master Trust authorizing the bank to lend securities held in the Master Trust account to third parties. The bank must obtain collateral from the borrower in the form of cash, letters of credit issued by an entity other than the borrower, or acceptable securities. Both the collateral and the securities loaned are marked-to-market on a daily basis so all loaned securities are fully collateralized at all times. In the event the loaned securities are not returned by the borrower, the bank will, at its own expense, either replace the loaned securities or, if unable to purchase those securities on the open market, credit the Master Trust account with cash equal to the fair value of the loaned securities.

The Master Trust and the bank each receive a percentage of the net income derived from securities lending activities based on the type of securities. Income earned by the Master Trust during 2011 and 2010 was $165,605 and $251,369, respectively, net of bank fees of $89,174 and $135,361, respectively.

Note 6 – Securities lending (continued)

Although the Master Trust's securities lending activities are collateralized as described above, they involve both market and credit risk. In this context, market risk refers to the possibility that the borrowers of securities will be unable to collateralize the loan upon a sudden material change in the fair value of the loaned securities or the collateral. Credit risk refers to the possibility that counterparties involved in the securities lending program may fail to perform in accordance with the terms of their contracts.

The fair value of securities loaned by the Master Trust is $54,408,840 at December 31, 2011 and $171,447,320 at December 31, 2010.

Note 7 – Related-party transactions

Total fees paid to the Plan Sponsor by the Master Trust totaled $443,227 and $259,813 for the years ended December 31, 2011 and 2010, respectively. Of these fees, $69,303 and $56,779 were allocated to the Plan for the years ended December 31, 2011 and 2010, respectively. These transactions qualify as party-in-interest transactions.

Note 8 – Plan termination policy

The Company expects and intends to maintain the Plan in force indefinitely. The Company has reserved the right to amend or terminate the Plan at anytime, subject to the limitations imposed by ERISA and the Bargaining Unit Memorandum of Agreement. In the event of termination, the Plan's net assets generally will not be available on a pro rata basis to provide participant's benefits. Whether a particular participant's accumulated pension benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided at all. A complete description of termination priorities is provided in the Plan document.

Note 9 – Tax status

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated August 22, 2012 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. As such, no provision for income taxes has been included in the Plan's financial statements.

Note 9 – Tax status (continued)

GAAP requires Plan Management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Plan Management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011 and 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Plan Management believes it is no longer subject to income tax examinations for years prior to 2008.

Note 10 – Risks and uncertainties

Investment securities in general, are subject to various risks, such as interest rate, credit and overall market volatility. Due to the levels of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for pension benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Note 11 – Subsequent events

The Plan's management has evaluated subsequent events through September 19, 2012 in connection with the preparation of these financial statements which is the date the financial statements were available to be issued.

RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES
OF FLORIDA PROGRESS CORPORATION
SCHEDULES OF COMPONENTS OF PLAN INTEREST IN MASTER TRUST
December 31, 2011 and 2010

	2011	2010
Assets		
Investments held in Master Trust	$ 333,778,841	$ 294,710,293
Receivables		
Contributions receivable	32,158,186	42,236,107
Due from broker	266,145	303,925
Accounts receivable	632,866	13,073
Accrued interest and dividends receivable	1,537,090	1,007,257
Total receivables	34,594,287	43,560,362
Cash and currency contracts	13,048,460	(433)
Total assets	381,421,588	338,270,222
Liabilities		
Due to broker	1,132,983	1,184,488
Total liabilities	1,132,983	1,184,488
NET ASSETS HELD IN MASTER TRUST	$ 380,288,605	$ 337,085,734

Attachment to 2011 Form 5500
Schedule SB, line 26 - Schedule of Active Participant Data

Plan Name Ret Plan for Bargaining Unit Ees of FL Prog Corp **EIN:** 59-2147112

Plan Sponsor's Name Florida Progress Corporation **PN:** 004

Attained Age	YEARS OF CREDITED SERVICE								
	Under 1	Average		1 to 4	Average		5 to 9	Average	
	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.
Under 25	75	32,403	288	37	42,931	3,344	2	0	0
25 to 29	47	38,754	438	82	48,872	3,747	70	56,410	6,233
30 to 34	38	49,707	441	48	59,398	5,155	90	58,322	5,619
35 to 39	27	50,626	451	41	57,252	5,439	91	59,177	3,472
40 to 44	33	53,049	766	39	52,033	4,958	86	60,915	6,775
45 to 49	27	54,886	1,039	50	62,558	5,716	76	64,957	7,371
50 to 54	31	53,133	888	42	56,862	7,610	66	64,689	6,043
55 to 59	16	0	0	15	0	0	28	63,122	7,731
60 to 64	15	0	0	9	0	0	8	0	0
65 to 69	3	0	0	4	0	0	4	0	0
70 & up	3	0	0				1	0	0

Attained Age	YEARS OF CREDITED SERVICE								
	10 to 14	Average		15 to 19	Average		20 to 24	Average	
	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.
Under 25									
25 to 29	1	0	0						
30 to 34	57	65,969	0						
35 to 39	65	67,586	0	6	0	0	3	0	0
40 to 44	70	68,244	0	17	0	0	32	68,410	0
45 to 49	55	67,841	0	34	70,075	0	89	71,398	0
50 to 54	43	65,079	0	22	67,221	0	77	70,112	0
55 to 59	31	63,528	0	21	66,489	0	34	69,756	0
60 to 64	7	0	0	3	0	0	15	0	0
65 to 69				1	0	0	3	0	0
70 & up	1	0	0	2	0	0	1	0	0

Attained Age	YEARS OF CREDITED SERVICE											
	25 to 29	Average		30 to 34	Average		35 to 39	Average		40 & up	Average	
	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.
Under 25												
25 to 29												
30 to 34												
35 to 39												
40 to 44	4	0	0									
45 to 49	61	69,653	0	5	0	0						
50 to 54	130	69,826	0	76	68,081	0	1	0	0			
55 to 59	64	68,370	0	69	69,469	0	17	0	0			
60 to 64	20	69,386	0	10	0	0	13	0	0			
65 to 69	3	0	0	1	0	0	4	0	0			
70 & up												

Attachment to 2011 Form 5500

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

Non-Prescribed Funding Assumptions and Methods

Interest rates

Used for calculation of annuity conversion at age 65

Funding: 5.00%

Decrements

Mortality

For annuity conversions (from cash balance): 1994 Group Annuity Reserve Mortality Table (50/50 blend) projected to 2002 (Rev Ruling 2001-62 mortality).

Attachment to 2011 Form 5500

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

Pre-Retirement Decrements and Assumed Salary Increase Rates

Representative values of the assumed annual rates of decrement and salary increase are shown in the tables below.

	Disability		Termination		Retirement			Salary
Age	FAE	Cash Balance	FAE	Cash Balance	FAE < 35 yrs svc	FAE >= 35 yrs svc	Cash Balance	Increase
20	0.070%	0.070%	8.00%	8.00%	-	-	-	9.00%
25	0.080	0.080	7.40	7.40	-	-	-	8.40
30	0.010	0.010	6.85	6.40	-	-	-	7.40
35	0.130	0.130	6.60	5.40	-	-	-	5.80
40	0.170	0.220	6.20	4.55	-	-	-	4.46
45	0.250	0.340	5.40	3.95	-	-	-	3.80
50	0.450	0.600	4.55	3.90	-	-	-	3.33
51	0.575	0.700	4.40	3.95	-	-	-	3.24
52	0.700	0.800	4.25	4.00	-	-	-	3.15
53	0.800	0.900	4.20	4.80	-	-	-	3.15
54	0.900	1.000	4.15	5.60	-	-	-	3.15
55	1.000	1.160	4.10	6.40	10.0%	10.0%	15.0%	3.15
56	1.100	1.320	4.05	7.20	4.0	10.0	10.0	3.15
57	1.200	1.480	4.00	8.00	5.0	30.0	10.0	3.15
58	1.300	1.680	4.00	8.80	5.0	20.0	10.0	3.15
59	1.350	1.940	4.00	9.60	10.0	10.0	15.0	3.15
60	1.400	2.260	4.00	10.40	15.0	10.0	20.0	3.15
61	1.500	2.620	4.00	11.20	15.0	40.0	20.0	3.15
62	1.600	3.080	4.00	12.00	30.0	30.0	30.0	3.15
63	1.650	3.600	4.00	12.00	30.0	15.0	15.0	3.02
64	1.700	4.200	4.00	12.00	20.0	30.0	35.0	2.89
65				12.00	20.0	80.0	30.0	2.75
66				12.00	40.0	80.0	30.0	2.75
67				12.00	40.0	80.0	30.0	2.75
68				12.00	40.0	80.0	30.0	2.75
69				12.00	40.0	80.0	30.0	2.75
70					100.0	100.0	100.0	

The termination rates shown for Cash Balance employees are ultimate rates.

Expenses

Expected administrative and investment expenses of $1,300,000 were added to Target Normal Cost.

Attachment to 2011 Form 5500

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

Vested Terminated Commencement Assumption

Cash Balance Participants:

It is assumed that upon exit from an active status, 70% of participants commence their benefits as a lump sum immediately, while 30% defer commencement of their benefits to age 65 and at that time elect the following:

- Lump Sum – 50.0%
- 50% Joint and Survivor Annuity – 39.5%
- 100% Joint and Survivor Annuity with Pop Up – 6.0%
- Life Annuity – 4.5%

For current deferred vested participants, it is assumed that participants will commence their benefit immediately if they terminated less than 4 months prior to the valuation date. If they terminated four or more months prior to the valuation date, it is assumed they will defer commencement of their benefit to age 65.

FAE Participants:

If eligible to commence prior to age 65 and currently under age 62, it is assumed that 35% will commence their benefits at age 55, 50% will commence their benefits at age 60, and 15% will commence their benefits at age 62. All others are assumed to commence at age 65. It is also assumed that participants will elect the following options equally: Life Annuity, 50% Joint and Survivor Annuity with Pop Up, 75% Joint and Survivor Annuity with Pop Up, and 100% Joint and Survivor Annuity with Pop Up.

Commencement Assumptions from Active Status

It is assumed that upon retirement, disability, or death from active status, participants (or beneficiaries) elect the following optional forms:

Cash Balance Non-Disabled Participants:

- Lump Sum – 70.0%
- 50% Joint and Survivor Annuity – 23.7%
- 100% Joint and Survivor Annuity with Pop Up – 3.6%
- Life Annuity – 2.7%

Cash Balance Beneficiaries :

- Lump Sum – 50%
- Life Annuity – 50%

FAE Non-Disabled Participants:

- Life Annuity – 60%
- 50% Joint and Survivor Annuity with Pop Up – 18%
- 75% Joint and Survivor Annuity with Pop Up – 8%
- 100% Joint and Survivor Annuity with Pop Up – 14%

Attachment to 2011 Form 5500

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

FAE Beneficiaries:

- Life Annuity – 100%

All Disabled Participants:

- Life Annuity – 100%

Marital percentage

- 80% of active male members and 40% of active female members are assumed to be married.
- Husbands are assumed to be 2 years older than their wives.

Temporary Employees

All non-vested temporary active employees are assumed to work over 1,000 hours in each future year.

Asset valuation method

The Actuarial Value of Assets is determined using a method that spreads asset gains/(losses) over two years. The gain/(loss) for each period is determined as the actual return during the period less the expected return based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value. The discounted value of accrued contributions, if any, is included in the Actuarial Value of Assets.

The expected return on plan assets is 8.50% per annum (8.75% prior to 2011), limited by PPA to the applicable Third Segment Rate as follows:

2010 measurement period:	6.82%
2009 measurement period:	6.69%

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan

Ret Plan for Bargaining Unit Ees of FL Prog Corp

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

Florida Progress Corporation

D Employer Identification Number (EIN)

59-2147112

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2011

2 Assets:

a	Market value	**2a**	336,573,234
b	Actuarial value	**2b**	315,998,180

3 Funding target/participant count breakdown:

			(1) Number of participants	(2) Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	885	155,892,144
b	For terminated vested participants	**3b**	469	17,856,110
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		15,016,408
	(2) Vested benefits	**3c(2)**		162,344,426
	(3) Total active	**3c(3)**	2,608	177,360,834
d	Total	**3d**	3,962	351,109,088

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a	Funding target disregarding prescribed at-risk assumptions	**4a**	
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5	Effective interest rate	**5**	6.33 %
6	Target normal cost	**6**	14,583,930

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Kerry N. Schmidt KNS — Signature of actuary

10/02/2012 — Date

Kerry N. Schmidt — Type or print name of actuary

11-02628 — Most recent enrollment number

Buck Consultants, LLC — Firm name

(770) 955-2488 — Telephone number (including area code)

200 Galleria Parkway NW, Suite 1900

Atlanta GA 30339-5945 — Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 13.11 %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38 from prior year)		30,995,282
	b Interest on (a) using prior year's effective rate of 6.70 % except as otherwise provided (see instructions)		2,076,684
	c Total available at beginning of current plan year to add to prefunding balance		33,071,966
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	90.00 %
15	Adjusted funding target attainment percentage	15	90.00 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	90.00 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2011	3,696,914		09/14/2012	18,100,000	
07/15/2011	3,696,914				
10/14/2011	3,696,914				
01/13/2012	3,696,914				
04/13/2012	5,180,636				
07/13/2012	5,180,636				
			Totals • 18(b)	43,248,928	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	40,010,533
20	Quarterly contributions and liquidity shortfalls:		
	a Did the plan have a "funding shortfall" for the prior year?		☒ Yes ☐ No
	b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?		☒ Yes ☐ No
	c If 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
3.78 %	6.31 %	6.57 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	60

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes	☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	14,583,930
b Excess assets, if applicable, but not greater than 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	35,110,908	6,138,614
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	20,722,544

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0

36 Additional cash requirement (line 34 minus line 35)	**36**	20,722,544
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	40,010,533

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	19,287,989
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

Attachment to 2011 Form 5500

Schedule SB – Statement of Enrolled Actuary

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

In preparing Schedule SB, the actuary relied on the following information which was provided by other parties:

(a) Contribution information as provided by the plan administrator.

(b) Financial information as provided by the trustee and the plan administrator.

(c) Data on persons covered by the Plan as provided by the plan administrator. While not verifying the data at source, the actuary performed tests for consistency and reasonability.

(d) Information on the plan provisions as provided by the plan administrator.

The information in (b) and (c) was audited by the independent certified public accountants for the Plan Sponsor.

Attachment to 2011 Form 5500

Schedule SB, Line 2a – Current Value of Assets

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

The current value of assets used for valuation purposes may differ from that reported on Schedule H of Form 5500 due to payables and other adjustments.

CHERRY BEKAERT & HOLLAND
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

September 19, 2012

Retirement Board
Retirement Plan for Bargaining Unit Employees
of Florida Progress Corporation
Raleigh, North Carolina

We have conducted a Department of Labor (DOL) limited-scope audit of the financial statements of the Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation (the "Plan") as of and for the year ended December 31, 2011 and have issued our report thereon dated September 19, 2012. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3 and 4 to those financial statements. Because of the significance of the information that we did not audit, we are unable to, and have not, expressed an opinion on those financial statements and supplemental schedule taken as a whole. We did, however, audit the form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, in accordance with auditing standards generally accepted in the United States of America and found them to be presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 13, 2012. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2011. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 19, 2012.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Investment Committee, Retirement Board and management of Plan and is not intended to be and should not be used by anyone other than these specified parties.

Cherry Bekaert & Holland, L.L.P.

Raleigh, North Carolina

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

1. Effective Date

Originally established December 15, 1944. Last restated effective January 1, 2007.

FINAL PAY PLAN - For Members hired prior to January 1, 2003:

2. Eligibility for Participation

First of the month following hire date for employees covered under a collective bargaining agreement.

3. Final Average Earnings

The average annual earnings of a participant during (i) the 48 highest paid consecutive months or (ii) the 4 highest paid calendar years, whichever produces the highest average.

4. Normal and Postponed Retirement Income

Eligibility	Age 65 and fifth anniversary of the date of participation.
Benefits	Annual benefits payable for life equal to (i) less (ii).

(i) 1.80% of final average earnings per year of credited service not in excess of 35.

(ii) 1-1/7% of Social Security benefit per year of credited service not in excess of 35.

5. Early Retirement Income

Eligibility	Age 55 and 15 years of continuous service.
Benefits	Accrued normal retirement income based on credited service at retirement reduced as follows for commencement before age 65:

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

Early-Retirement Reduction Percentages

Years by Which Benefit Commencement Precedes Age 65	Less Than 20 Years of Credited Service	20 - 35 Years of Credited Service
10	60%	65%
9	65	72
8	70	79
7	76	86
6	82	93
5	88	100
4	94	100
3	100	100
2	100	100
1	100	100
0	100	100

No reduction if 35 or more years of credited service

6. Disability Income

Eligibility — One year of continuous service and totally disabled.

Benefits — Annual income, payable for life or for period of continuous service if less than 10 years, equal to 40% of final average earnings minus 40% of Social Security benefit, not greater than projected normal retirement benefit and not less than accrued early retirement benefit.

7. Deferred Vested Retirement Income

Eligibility — 5 years of continuous service.

Benefits — Accrued normal retirement income at termination of employment deferred to age 65 reduced for years surviving spouse coverage in effect during deferral period. Reduced income available commencing at age 55 if participant had completed 15 or more years of continuous service.

8. Death Benefit

Eligibility — 5 years of continuous service and death in active service or during receipt of disability income before age 65 or death in active service after age 65.

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

Benefits

More than 10 years of service or over age 65

Immediate benefit equal to a percentage of participant's projected normal retirement income adjusted for greater than 5 year age difference between participant and spouse, but not less than the actuarial equivalent of accrued 50% joint and survivor annuity.

Participant's Age		Percentage
Less than	35	10%
	35-39	15
	40-44	20
	45-49	25
	50-54	30
	55-59	35
	60-64	40

Service between 5 and 10 years

Benefit commencing on the participant's normal retirement date equal to one half of the benefit which would have been payable to the participant in the form of a qualified 50% joint and survivor annuity.

9. Minimum Retirement Income

Minimum retirement income or death benefit payable is equal to amount that would have been payable under the provisions of the Plan in effect prior to December 31, 1983 for participants then in the plan.

10. Maximum Retirement Income

The amount of retirement income is limited so that it does not exceed the limitations of the Internal Revenue Code.

11. Regular Form of Income

Single	Life Annuity.
Married	Actuarially reduced 50% joint and survivor annuity.

12. Optional Forms of Benefit

(a) Life annuity.
(b) 10 years certain and life.
(c) 25%-100% joint and survivor (pop-up) annuity.
(d) Social Security leveling.
(e) Lump sum cash out if over $5,000 but $7,500 or less.

13. Contributions

Non-contributory.

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

CASH BALANCE PLAN - for Members hired on and after January 1, 2003:

14. Eligibility for Participation

First of the month following hire date for employees covered under a collective bargaining agreement.

15. Cash Balance Account

The sum of all pay credits and interests credits awarded throughout the period of participation.

16. Pay Credits

As of each December 31 (or as of a member's date of termination, retirement or death, if earlier), a member's cash balance account is credited with an annual pay credit equal to a percentage of his pay for that year based on his attained age at the beginning of the year as follows:

Age	Credit
Less than 35	3.00%
35 – 39	3.50%
40 – 44	4.25%
45 – 49	5.00%
50 – 54	6.00%
55 and older	7.00%

An additional pay credit is granted for pay in excess of 80% of the Social Security Taxable Wage Base (SSTWB) for that year. The additional pay credit equals the credit percentage determined above times pay in excess of 80% of the SSTWB.

17. Interest Credits

As of each December 31 (or as of a member's date of termination, retirement or death, if earlier), a member's cash balance account is credited with an annual interest credit equal to a percentage of his cash balance account as of the beginning of that year as follows:

Year	Credit
2003	6.00%
2004	6.00%
2005-2007	5.00%
2008-2010	5.50%
2011	5.00%
2012 and later	4.00%

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

18. Normal and Postponed Retirement Pension

Eligibility	Age 65 and fifth anniversary of the date of participation.
Benefits	A single life annuity of equivalent actuarial value to the cash balance account. For this purpose, the 30-year Treasury bond rate for the month of August prior to the start of the Plan Year and the mortality assumption of 1994 Group Annuity Mortality (50/50 blend) projected to 2002 are used.

19. Early Retirement Pension

Eligibility	Three years of service and election of pension commencement within twelve months of employment termination or attainment of age 55.
Benefits	A single life annuity of equivalent actuarial value to the cash balance account. For this purpose, the 30-year Treasury bond rate for the month of August prior to the start of the Plan Year plus 0.5% and the mortality assumption of 1994 Group Annuity Mortality (50/50 blend) projected to 2002 are used.

20. Deferred Vested Pension

Eligibility	Three years of service.
Benefits	A single life annuity determined by accumulating the cash balance account interest credits to Normal Retirement Date then by converting the balance to a single life annuity of equivalent actuarial value. For this purpose, the 30-year Treasury bond rate for the month of August prior to the start of the Plan Year plus 0.5% (if commencing prior to age 65) and the mortality assumption of 1994 Group Annuity Mortality (50/50 blend) projected to 2002 are used.

21. Disability Income

Eligibility	One year of continuous service and totally disabled.
Benefits	Annual income, payable for life or for period of continuous service if less than 10 years, equal to 40% of final average earnings minus 40% of Social Security benefit, not greater than projected normal retirement pension and not less than the deferred vested pension.

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

22. Death Benefit

Eligibility — 3 years of continuous service and death in active service or during receipt of disability income before age 65 or death in active service after age 65.

Benefits — To a surviving spouse, a single life annuity of equivalent actuarial value to the member's vested cash balance account. For this purpose, the 30-year Treasury bond rate for the month of August prior to the start of the Plan Year plus 0.5% (if commencing prior to age 65) and the mortality assumption of 1994 Group Annuity Mortality (50/50 blend) projected to 2002 are used. Alternatively, the spouse may elect a lump-sum distribution

To a beneficiary other than a surviving spouse, a lump-sum distribution equal to the member's cash balance account.

23. Maximum Retirement Income

The amount of retirement income is limited so that it does not exceed the limitations of the Internal Revenue Code.

24. Regular Form of Income

Single — Life Annuity.
Married — 50% joint and survivor annuity.

25. Optional Forms of Benefit

(a) 100% joint and survivor (pop-up) annuity.
(b) 75% joint and survivor (pop-up) annuity.
(c) Lump sum.
(d) Refund annuity with lump-sum death benefit.
(e) Partial lump sum of 25%, 50% or 75% of option (2) above, with the remainder paid as a life annuity or joint-and-survivor annuity, depending on marital status.

26. Contributions

Non-contributory.

SPECIAL PLAN AMENDMENTS APPLICABLE TO ALL PARTICIPANTS

27. Voluntary Early Retirement Program

Under the Voluntary Early Retirement Program, employees who have attained age 50 with at least 5 years of service as of March 31, 2005 and retire under the program are eligible to receive 5 years of additional service for benefit accrual and retirement eligibility purposes and 5 years added to their age for early retirement benefit calculation purposes.

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

Optional Form Conversion Factors

Table 1: Optional Factors for FAP Benefits for Normal, Postponed, Early, or Deferred Vested Retirement

Age of Participant	**Option B** Ten-Year Certain & Continuous	**Option C** 100% Contingent Annuitant
55	0.984	0.910
56	0.982	0.906
57	0.979	0.901
58	0.976	0.895
59	0.973	0.890
60	0.969	0.884
61	0.965	0.879
62	0.960	0.873
63	0.955	0.867
64	0.949	0.861
65	0.942	0.856
66	0.935	0.850
67	0.927	0.844
68	0.919	0.838
69	0.910	0.832
70	0.900	0.826
71	0.889	0.820
72	0.877	0.815
73	0.865	0.809
74	0.852	0.804
75	0.837	0.798
76	0.822	0.793
77	0.806	0.787
78	0.789	0.782
79	0.771	0.777
80	0.753	0.772

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

i. Ten-Year Certain and Continuous Option

The factors for Option B are used to convert the life annuity value to the ten-year certain and continuous option based on the Participant's age at commencement.

ii. Contingent Annuitant Option

The factors for Option C are for the 100% contingent annuitant option where the Participant and the Contingent annuitant are the same age. The factor for Option C will be increased (decreased) by .005 for each year that the contingent annuitant is older (younger) than the Participant with an upper limit on the factor of 1.000. The factor for any other percentage contingent annuitant option will be calculated from the adjusted 100% factor as follows.

F = adjusted 100% contingent annuitant factor
Z = alternate contingent annuitant option percentage
(write 50% as. *.5,* 66-2/3 as .66667, etc.)

Alternate percentage contingent annuitant factor = $\frac{F}{Z + ((1-Z)\ F)}$

iii. Social Security Leveling Option

The social security leveling option benefit will be determined on the 417(e) actuarial equivalent basis using the IRS Interest Rate and the IRS Mortality Tables.

iv. Lump Sum Payment for FAP Participant

The lump sum benefit will be determined as larger of the 417(e) actuarial equivalent of (a) the normal retirement benefit or (b) early commencement life annuity benefit. The actuarial equivalent factor shall be determined on the basis of the IRS Interest Rate and the IRS Mortality Table.

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

Table 2: Optional Factors for CB Benefits for Normal, Postponed, Early, or Deferred Vested Retirement

	Option A 50% Designated Beneficiary		**Option B** 75% Contingent Annuitant with Life Reversion		**Option C** 100% Contingent Annuitant with Life Reversion	
Age of Participant	**A**	**B**	**A**	**B**	**A**	**B**
20	0.987	0.001	0.979	0.001	0.973	0.001
21	0.986	0.001	0.978	0.001	0.972	0.001
22	0.985	0.001	0.977	0.001	0.971	0.001
23	0.984	0.001	0.976	0.001	0.970	0.001
24	0.983	0.001	0.975	0.001	0.968	0.001
25	0.982	0.001	0.974	0.001	0.966	0.001
26	0.981	0.001	0.973	0.001	0.964	0.001
27	0.980	0.001	0.972	0.001	0.962	0.001
28	0.979	0.001	0.971	0.001	0.960	0.001
29	0.978	0.001	0.969	0.001	0.958	0.001
30	0.977	0.001	0.967	0.001	0.956	0.001
31	0.976	0.001	0.965	0.001	0.954	0.001
32	0.975	0.001	0.963	0.001	0.951	0.001
33	0.974	0.001	0.961	0.001	0.948	0.001
34	0.972	0.001	0.959	0.001	0.944	0.001
35	0.970	0.001	0.956	0.001	0.940	0.001
36	0.968	0.001	0.953	0.001	0.936	0.002
37	0.966	0.001	0.950	0.001	0.932	0.002
38	0.964	0.001	0.946	0.001	0.928	0.002
39	0.962	0.001	0.942	0.001	0.924	0.002
40	0.960	0.001	0.938	0.002	0.919	0.002
41	0.957	0.001	0.934	0.002	0.914	0.002
42	0.954	0.001	0.930	0.002	0.909	0.002
43	0.951	0.001	0.926	0.002	0.904	0.002
44	0.948	0.001	0.922	0.002	0.899	0.003
45	0.945	0.002	0.918	0.002	0.894	0.003
46	0.942	0.002	0.914	0.002	0.889	0.003
47	0.939	0.002	0.910	0.002	0.884	0.003
48	0.936	0.002	0.906	0.003	0.879	0.004
49	0.933	0.002	0.902	0.003	0.874	0.004

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

Table 2 (Contd): Conversion Factors for CB Benefits for Normal, Postponed, Early, or Deferred Vested Retirement

	Option A		**Option B**		**Option C**	
	Free 50% Designated Beneficiary		75% Contingent Annuitant with Life Reversion		100% Contingent Annuitant with Life Reversion	
Age of Participant	**A**	**B**	**A**	**B**	**A**	**B**
50	0.930	0.003	0.898	0.003	0.869	0.004
51	0.927	0.003	0.894	0.004	0.864	0.004
52	0.924	0.003	0.890	0.004	0.859	0.005
53	0.921	0.003	0.886	0.004	0.854	0.005
54	0.918	0.003	0.882	0.005	0.848	0.005
55	0.914	0.003	0.877	0.005	0.842	0.006
56	0.911	0.004	0.872	0.005	0.836	0.006
57	0.908	0.004	0.867	0.005	0.830	0.006
58	0.904	0.004	0.862	0.006	0.824	0.007
59	0.900	0.005	0.857	0.006	0.818	0.007
60	0.896	0.005	0.852	0.006	0.812	0.007
61	0.892	0.005	0.847	0.007	0.806	0.007
62	0.888	0.005	0.842	0.007	0.800	0.008
63	0.884	0.006	0.836	0.007	0.793	0.008
64	0.880	0.006	0.830	0.008	0.786	0.008
65	0.875	0.006	0.824	0.008	0.779	0.009
66	0.871	0.006	0.819	0.008	0.773	0.009
67	0.867	0.007	0.814	0.009	0.767	0.009
68	0.863	0.007	0.809	0.009	0.761	0.010
69	0.859	0.007	0.803	0.009	0.754	0.010
70	0.854	0.008	0.797	0.010	0.747	0.011
71	0.851	0.008	0.793	0.010	0.742	0.011
72	0.848	0.008	0.789	0.011	0.737	0.011
73	0.845	0.009	0.785	0.011	0.732	0.012
74	0.841	0.009	0.780	0.011	0.727	0.012
75	0.837	0.009	0.775	0.012	0.722	0.013

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

1. **Fifty Percent Designated Beneficiary Option (Option A)**
   The plan offers a free fifty percent joint and survivor contingent annuitant option which is equivalent to the life annuity option. The factors listed in Option A are used only for the purposes of converting to other optional joint and survivor options.

2. **Seventy Five Percent Survivor Annuity with Life Reversion (Option B)**
   The factor in column A is reduced/increased by the factor in column B for each full year that the Employee is older/younger than the spouse. The resulting factor cannot exceed 1.000. The resulting factor is then divided by age equivalent fifty percent designated beneficiary option factor calculated from the factors listed in Option A.

3. **One Hundred Percent Survivor Annuity with Life Reversion (Option C)**
   The factor in column A is reduced/increased by the factor in column B for each full year that the Employee is older/younger than the spouse. The resulting factor cannot exceed 1.000. The resulting factor is then divided by age equivalent fifty percent designated beneficiary option factor calculated from the factors listed in Option A.

4. **Modified Cash Refund (Option D)**
   The benefit amount under this form shall be 95% of the life annuity amount

Attachment to 2011 Form 5500

Schedule SB, Part V – Summary of Plan Provisions

Plan Name:	Ret Plan for Bargaining Unit Ees of FL Prog Corp	**EIN:**	59-2147112
Plan Sponsor's Name:	Florida Progress Corporation	**PN:**	004

Summary of Changes from the January 1, 2010 Valuation

The following plan amendments have been adopted within the last plan year:

a) The annual interest credit on each active participant's cash balance account was increased to 5.0% for 2011.

Form **5558**
(Rev. June 2011)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File Certain Employee Plan Returns

▶ For Privacy Act and Paperwork Reduction Act Notice, see instructions.

OMB No. 1545-0212

File With IRS Only

Part I Identification

A Name of filer, plan administrator, or plan sponsor (see instructions)
FLORIDA PROGRESS CORPORATION

Number, street, and room or suite no. (If a P.O. box, see instructions)
410 S WILMINGTON ST, PEB 20

City or town, state, and ZIP code
RALEIGH, NC 27601-1849

B Filer's identifying number (see instructions)
Employer identification number (EIN)
59-2147112

Social security number (SSN) (see instructions)

C	Plan name	Plan number	Plan year ending— MM	DD	YYYY
1	RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF F	0 0 4	12	31	2011
2					
3					

Part II Extension of Time To File Form 5500 Series, and/or Form 8955-SSA

1 I request an extension of time until 10 / 15 / 2012 to file Form 5500 series (see instructions).
Note. A signature IS NOT required if you are requesting an extension to file Form 5500 series.

2 I request an extension of time until 10 / 15 / 2012 to file Form 8955-SSA (see instructions).
Note. A signature IS required if you are requesting an extension to file Form 8955-SSA.

The application is **automatically approved** to the date shown on line 1 and/or line 2 (above) if: **(a)** the Form 5558 is filed on or before the normal due date of Form 5500 series, and/or Form 8955-SSA for which this extension is requested, and **(b)** the date on line 1 and/or line 2 (above) is not later than the 15th day of the third month after the normal due date.

Part III Extension of Time To File Form 5330 *(see instructions)*

3 I request an extension of time until / / to file Form 5330.
You may be approved for up to a 6 month extension to file Form 5330, after the normal due date of Form 5330.

a Enter the Code section(s) imposing the tax . . . . . ▶ a

b Enter the payment amount attached . . . . . ▶ b

c For excise taxes under section 4980 or 4980F of the Code, enter the reversion/amendment date . . . ▶ c

4 **State in detail why you need the extension:**

Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made on this form are true, correct, and complete, and that I am authorized to prepare this application.

Signature ▶ [signature] **Date** ▶ 7/30/2012

Attachment to 2011 Form 5500

Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Plan Name: Ret Plan for Bargaining Unit Ees of FL Prog Corp **EIN:** 59-2147112

Plan Sponsor's Name: Florida Progress Corporation **PN:** 004

FAE Less than 35 years of Service

Age	Rate of Retirement	Number of Lives	Number retiring	Weighted average
		1.0000		
55	10%	0.9000	0.1000	5.5000
56	4%	0.8640	0.0360	2.0160
57	5%	0.8208	0.0432	2.4624
58	5%	0.7798	0.0410	2.3780
59	10%	0.7018	0.0780	4.6020
60	15%	0.5965	0.1053	6.3180
61	15%	0.5070	0.0895	5.4595
62	30%	0.3549	0.1521	9.4302
63	30%	0.2484	0.1065	6.7095
64	20%	0.1987	0.0497	3.1808
65	20%	0.1590	0.0397	2.5805
66	40%	0.0954	0.0636	4.1976
67	40%	0.0572	0.0382	2.5594
68	40%	0.0343	0.0229	1.5572
69	40%	0.0206	0.0137	0.9453
70	100%	0.0000	0.0206	1.4420
			1.0000	61.3384

FAE 35 years of Service or more

Age	Rate of Retirement	Number of Lives	Number retiring	Weighted average
54		1.0000		
55	10%	0.9000	0.1000	5.5000
56	10%	0.8100	0.0900	5.0400
57	30%	0.5670	0.2430	13.8510
58	20%	0.4536	0.1134	6.5772
59	10%	0.4082	0.0454	2.6786
60	10%	0.3674	0.0408	2.4480
61	40%	0.2204	0.1470	8.9670
62	30%	0.1543	0.0661	4.0982
63	15%	0.1312	0.0231	1.4553
64	30%	0.0918	0.0394	2.5216
65	80%	0.0184	0.0734	4.7710
66	80%	0.0037	0.0147	0.9702
67	80%	0.0007	0.0030	0.2010
68	80%	0.0001	0.0006	0.0408
69	80%	0.0000	0.0001	0.0069
70	100%	0.0000	0.0000	0.0000
			1.0000	59.1268

Cash Balance

Age	Rate of Retirement	Number of Lives	Number retiring	Weighted average
54		1.0000		
55	15%	0.8500	0.1500	8.2500
56	10%	0.7650	0.0850	4.7600
57	10%	0.6885	0.0765	4.3605
58	10%	0.6197	0.0688	3.9904
59	15%	0.5267	0.0930	5.4870
60	20%	0.4214	0.1053	6.3180
61	20%	0.3371	0.0843	5.1423
62	30%	0.2360	0.1011	6.2682
63	15%	0.2006	0.0354	2.2302
64	35%	0.1304	0.0702	4.4928
65	30%	0.0913	0.0391	2.5415
66	30%	0.0639	0.0274	1.8084
67	30%	0.0447	0.0192	1.2864
68	30%	0.0313	0.0134	0.9112
69	30%	0.0219	0.0094	0.6486
70	100%	0.0000	0.0219	1.5330
			1.0000	60.0285

Average Retirement Age = 60.1646

Attachment to 2011 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name Ret Plan for Bargaining Unit Ees of FL Prog Corp **EIN:** 59-2147112
Plan Sponsor's Name Florida Progress Corporation **PN:** 004

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	17,096,742	01/01/2010	6	3,174,752
Shortfall	18,014,166	01/01/2011	7	2,963,862

Attachment to 2011 Form 5500
Schedule SB, line 24 - Change in Actuarial Assumptions

Plan Name Ret Plan for Bargaining Unit Ees of FL Prog Corp **EIN:** 59-2147112
Plan Sponsor's Name Florida Progress Corporation **PN:** 004

Describe any change in non-prescribed actuarial assumptions and justify any such change.

Expected administrative and investment expenses of $1,300,000 were assumed for the current year compared to $1,500,000 that was assumed for the prior year.